

**The Impact of Leadership Behavior (LB), Emotional
Intelligence (EI) and Perceived Organizational Support
(POS) on Job Satisfaction in Tehran Cement Company**

**by
Zeinab Amini Yekta**

**Submitted as partial fulfillment towards graduation requirements for
Masters of Business Administration, Universiti Sains Malaysia
July 2007**

ACKNOWLEDGEMENT

Completing a thesis would simply not be possible without the encouragement, support and vision of many individuals. I would like to acknowledge and thank the following people for their significant contribution.

Special thanks to associate professor Dr. Zainal Ariffin Ahmad for his aid and advice throughout this process. I would also like to offer my deepest thanks to all lecturers in school of management of Universiti Sains Malaysia for their guidance, wisdom, and encouragement over these two years and most especially for always being willing to listen.

I would like to thank my family for their overwhelming love and support. I dedicate this work to my husband who never failed to be there when I needed him, specially my sister, without whom I would never have been able to complete my degree. To my Mom for her love, her support, and her patience throughout the past twenty-six years, and to my Dad who could always make me smile, no matter how dark the day. They are the guiding light in my life and there aren't enough words to convey the depth of my gratitude to them for all they have done.

I would also like to offer my everlasting gratitude to the many friends who supported me, inspired me, and made me an all around better person for having known them. I am eternally grateful to Ajindar Kaur for making graduate school an experience I'll never forget.

Last, but certainly not least, I want to thank the president and all staff of Tehran Cement Company for giving me permission to commence this thesis in the first instance, and help me to collect valuable data.

TABLE OF CONTENTS

Title	ii
Acknowledgement	iii
Table of Contents	iv
List of Tables	viii
List of Figures	ix
Abstract	x
Abstrak	xi

CHAPTER 1 Introduction

1.1 Introduction	1
1.2 Problem Statement	4
1.3 Research Objectives	5
1.4 Research Questions	5
1.5 Scope and Significance of the Study	6
1.6 Definition of Key Terms	6
1.6.1 Job Satisfaction	6
1.6.2 Leadership Behavior	7
1.6.3 Perceived Organizational Support	8
1.6.4 Emotional Intelligence	8
1.6.5 The Level of the Employee	9
1.7 Organization of Chapters	9

CHAPTER 2 Literature Review

2.1 Introduction	10
2.2 Job Satisfaction	12
2.3 Leadership Behavior and Job Satisfaction	13
2.4 Perceived Organizational Support and Job Satisfaction	17
2.5 Emotional Intelligence and Job Satisfaction	21

2.6	Leadership Behavior, Emotional Intelligence and Work Outcomes	24
2.7	Perceived Organizational Support, Leadership Behavior and Work Outcomes	25
2.8	The Level of the Employee and Job Satisfaction	28
2.9	Gaps in the Literature	29
2.10	Theoretical Framework	31
2.11	Hypotheses	32

CHAPTER 3 Methodology

3.1	Introduction	37
3.2	Nature of Study	38
3.3	Research Site	38
3.4	Sample and Procedure	39
3.5	Instruments	40
3.6	Translation Procedure	40
3.7	Measurement of Variables	41
	3.7.1 Supervisor Questionnaire	41
	3.7.2 Subordinate Questionnaire	43
3.8	Data Analysis	46
	3.8.1 Descriptive Statistics	47
	3.8.2 Factor Analysis	47
	3.8.3 Reliability Test	48
	3.8.4 Hierarchical Regression Analysis	49
3.9	Summary	51

CHAPTER 4 Results

4.1	Introduction	52
4.2	Overview of Data Collected	52
4.3	Demographic Profile of Respondents	53
	4.3.1 Profile of Supervisors	54
	4.3.2 Profile of Subordinates	55
4.4	Goodness of Measures	57

4.4.1	Factor Analysis	57
4.4.2	Reliability Analysis	64
4.5	Descriptive Statistics	64
4.6	Correlation Analysis	66
4.7	Hierarchical Regression Analysis	67
4.7.1	Hierarchical Regression Results for Intrinsic Job Satisfaction (Hypothesis 1 to Hypothesis 6)	68
4.7.2	Hierarchical Regression Results for Extrinsic Job Satisfaction (Hypothesis 1 to Hypothesis 6)	71
4.8	Summary of Results	76

CHAPTER 5 Discussion and Conclusion

5.1	Introduction	80
5.2	Recapitulation of the Study	80
5.3	Discussion	81
5.3.1	The Impact of Leadership Behavior on Job Satisfaction (Intrinsic Job Satisfaction and Extrinsic Job Satisfaction)	82
5.3.2	The Influence of Perceived Organizational Support on Job Satisfaction (Intrinsic Job Satisfaction and Extrinsic Job Satisfaction)	84
5.3.3	The Influence of Emotional Intelligence on Job Satisfaction (Intrinsic Job Satisfaction and Extrinsic Job Satisfaction)	86
5.3.4	The Influence of Interaction of Emotional Intelligence and Leadership Behavior on Job Satisfaction (Intrinsic Job Satisfaction and Extrinsic Job Satisfaction)	87
5.3.5	The Influence of Interaction of Perceived Organizational Support and Leadership Behavior on Job Satisfaction (Intrinsic Job Satisfaction and Extrinsic Job Satisfaction)	88
5.3.6	The Moderating Role of Level of the Employee	89
5.4	Implications of the Study	89
5.4.1	Theoretical Implications	90
5.4.2	Managerial Implications	91

5.5	Limitation and Suggestion for Future Research	92
5.6	Conclusion	94
REFERENCES		95
APPENDICES		
Appendix A	Cover Letter and Questionnaire	107
Appendix B	Literature Summary	122
Appendix C	SPSS Analysis Outputs	128

LIST OF TABLES

	page
Table 3.1	Instruments' Detail Information 40
Table 3.2	Layout of Items in the Supervisor's Questionnaire 42
Table 3.3	Layout of Items in the Subordinate's Questionnaire 44
Table 4.1	Questionnaire Distribution by Steps and the Total Response Rate 53
Table 4.2	Supervisors' Demographic Profile 54
Table 4.3	Subordinates' Demographic Profile 55
Table 4.4	Rotated Factors and Factor Loadings for Dependent Variable (Job Satisfaction) 59
Table 4.5	Rotated Factors and Factor Loadings for Independent Variables (Leadership Behavior, Perceived organizational Support and Emotional Intelligence) 61
Table 4.6	Reliability Coefficients of the Study Variables 64
Table 4.7	Descriptive Statistics of the Study Variables (N=136) 65
Table 4.8	Pearson's Correlation Analysis of the Study Variables 66
Table 4.9	Hierarchical Regression Results for Intrinsic Job Satisfaction (Hypothesis 1 To 6) 70
Table 4.10	Hierarchical Regression Results for Extrinsic Job Satisfaction (Hypothesis 1 To 6) 75
Table 4.11	Summary of All Hypotheses Results 76

LIST OF FIGURES

		page
Figure 1.1	Cement Production (1975-2001)	2
Figure 2.1	Theoretical Framework	31
Figure 4.1	Moderating Effect of Level of the Employee in the Relationship Between Extrinsic Job Satisfaction and Initiating Structure Leadership Behavior	73
Figure 4.2	Moderating Effect of Level of the Employee in the Relationship Between Extrinsic Job Satisfaction and Emotional Intelligence	74

ABSTRACT

The purpose of this study is to determine the impact of leadership behavior (initiating structure leadership behavior and consideration leadership behavior), emotional intelligence and perceived organizational support on job satisfaction (intrinsic job satisfaction and extrinsic job satisfaction) of Iranian employees. In addition, it determines which interaction of independent variables (leadership behavior-perceived organizational support and leadership behavior-emotional intelligence) will yield the highest level of job satisfaction. Also this study attempts to find the level of the employee as a moderator of relationship between independent variables and employees' job satisfaction. Six main hypotheses were formulated in order to achieve the objective of present study. Data were collected through questionnaire from 136 pairs of supervisor-subordinate working in Tehran Cement Company. Except consideration leadership behavior, other independent variables were found to have no significant impact on intrinsic job satisfaction. While examining the impact of leadership behavior on extrinsic job satisfaction, it was found that consideration leadership behavior and initiating structure leadership behavior were significantly related to extrinsic job satisfaction in a different direction. Meanwhile, perceived organizational support, emotional intelligence, and interaction of initiating structure leadership behavior and emotional intelligence were significantly related to extrinsic job satisfaction. It was found that the level of the employee moderates the relationship between initiating structure leadership behavior and emotional intelligence and extrinsic job satisfaction. Given the significant influence of the predictors mentioned above, organizations that wish to increase employee commitment to organization and the supervisor as well as job satisfaction, should focus on improving the quality of the supportive relationships between employee and both leader and organization.

ABSTRAK

Tujuan kajian ini ialah untuk mengenalpasti sikap kepimpinan (sikap kepimpinan struktur insiatif dan sikap kepimpinan budibicara), kecerdasan emosi dan sokongan organisasi yang ditanggap terhadap kepuasan kerja intrinsik (puasan kerja dan kepuasan kerja ekstrinsik) para pekerja di Iran. Ia juga mengenalpasti interaksi pembolehubah tak bersandar yang manakah (sifat kepimpinan- sokongan organisasi yang ditanggap and sifat kepimpinan-kecerdasan emosi) yang akan menghasilkan kepuasan kerja tertinggi. Kajian ini juga mengenalpasti tingkatan pekerja sebagai pemudahcara hubungan di antara pembolehubah tak bersandar dan kepuasan kerja pekerja. Dari kajian laterbelakang, teori dasar telah dikumpulkan dan enam hipotesis utama telah dikemukakan. Data diperolehi melalui soalselidik yang terdiri daripada 136 pasang penyelia-pekerja di Tehran Cement Company. Kajian mendapati kesemua pembolehubah tak bersandar tidak mempunyai impak yang signifikan keatas kepuasan kerja intrinsik kecuali sikap kepimpinan budibicara. Semasa mengkaji impak sifat kepimpinan ke atas kepuasan kerja ekstrinsik, kajian mendapati bahawa sikap kepimpinan struktur insiatif dan sikap kepimpinan budibicara mempunyai hubungkait yang signifikan dengan kepuasan kerja ekstrinsik. dari pelbagai arah. Pada masa yang sama, sokongan organisasi yang ditanggap, kecerdasan emosi dan interaksi sikap kepimpinan struktur insiatif dan kecerdasan emosi mempunyai hubungkait yang signifikan kepada kepuasan kerja ekstrinsik. Kajian mendapati tahap pekerja menyederhana hubungan di antara sikap kepimpinan struktur insiatif dan kecerdasan emosi dan kepuasan kerja. Berdasarkan pengaruh signifikan pembolehubah yang dinyatakan di atas, organisasi yang mahu meningkatkan komitmen para pekerjanya kepada organisasi tersebut, penyelia dan kepuasan

kerja, organisasi tersebut hendaklah menumpukan memperbaiki hubungan sokongan di antara perkerja dan kedua-dua ketua dan organisasi.

CHAPTER 1

Introduction

1.1 Introduction

Most of the studies in human resource area have been examined in the United States and European countries, but due to differences in background and culture the studies are not applicable in other countries like Middle East and South East Asia. On the other hand most of the leadership theories are originally North American and may not be suitable to be used for a worldwide (Amany & Wright, 2004).

There are 45 cement manufacturing in Iran. Iran is one of the important countries in the Middle East that contribute significantly to the economic growth of this zone. To have high level of organizational performance and effectiveness it is vital both employee and employer have high level of satisfaction (Lok & Crawford, 2003); therefore, their level of satisfaction has positive relationship to the success of the company. Today with the fast changes in technology the organizations' needs and responsibility changed as well.

Currently, Iran is the second largest producer of cement after Egypt in Middle East, which planed to increase from 33 Million ton/yr (Mt/yr) currently to 70 Mt/yr by 2021 to overcome the lack of cement due to increase in local demand and also to compete in export markets (Iran Daily, 2002). As illustrate in Figure 1.1, total cement production dramatically increased during last three decades (SESRTCIC databases), almost 45 companies produce cement in Iran, and the total production in 2006 was about 33 million

tons with the growth rate of 1.5 percent (Dept. of Mine Industry of Iran; Ministry of Industry & Mine).

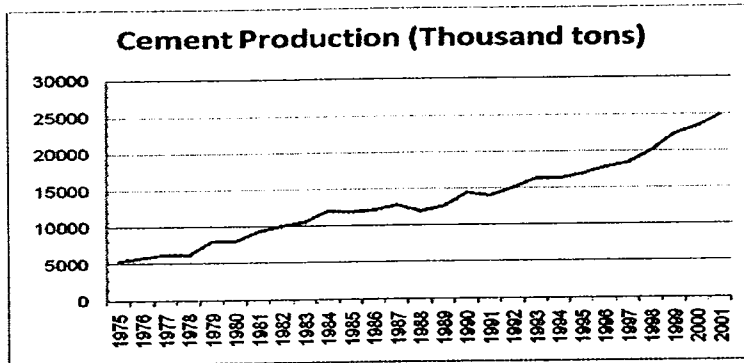


Figure 1.1 Cement Production (1975-2001).

Based on the latest statistical information 25 percent of work force in Iran engaged in industrial sector, statistics shows most of work force population are in service sectors (45%) and 30 percent are in agricultural activities (Kern Resource Center, 2005).

In Iran 28 percent of GDP (2001) is allocated to industrial sector (Central Bank of I. R. of Iran) and significant portion of employees work in this sector (25 %), also manufacturing and mining has a portion of 14.5 percent of GDP (Central Bank of I. R. of Iran), so cement manufacturing managers should put more pressure on the effectiveness, efficiency and productivity principles in these organizations.

Job satisfaction is such an important work outcome that contributes so many benefits to the organization, but so many factors have key role to influencing this outcome. From last studies about the impact of leadership behavior, it is important factor which influence employees' satisfaction. Different leadership behaviors has different

impacts on job satisfaction also different leadership styles relate to different levels of job satisfaction (Packard & Kauppi, 1999), in most studies higher level of job satisfaction occur when the leader has the consideration behavior (Darwish, 2000; Lok & Crawford, 2003; Packard & Kauppi, 1999) but some of them gave reverse result (Bartolo & Furlonger, 2000). Emotional intelligence is another factor which has significant impact on job satisfaction (Langhorn, 2004; Smith, Organ and Near, 1983; Smith, 2005). There is the lack of evidence for the impact of perceived organizational support on job satisfaction, in few studies relationship between perceived organizational support and job satisfaction have been supported (Burke, 2003).

There is a few numbers of studies in Middle Eastern countries and specially Iran. As mentioned earlier, this study focuses on job satisfaction studies in Middle Eastern settings (Darwish, 2000; Mosadeghrad & Yarmohammadian, 2006).

Thus this study attempts to find is there any relationship between leadership behavior, perceived organizational support, emotional intelligence of leader and job satisfaction, and also whether the level of the employee in the organization has moderating role in the relationship between these variables.

Based on these past evidences, the main reason for this study is to investigate: whether Leadership Behavior, Emotional Intelligence and Perceived Organizational Support influence Job Satisfaction of employees in Tehran Cement Company, whether these influences carry by level of the employee.

This research will expectantly help the organizations to improve job satisfaction of their employees as a one of important work outcomes towards organizational effectiveness.

Previous studies looked at impact of each factor separately but in this study we attempt to find the impact of the interactions between factors on job satisfaction.

1.2 Problem Statement

Based on the given background and the importance of competitiveness among today global market the companies need to focus more on the leadership concepts.

The dissatisfaction of employee will lead them to less work commitment and high turnover from the organization, as well as physical withdraw from the organization they may retreat from the organization emotionally or mentally. On the other hand, job dissatisfaction not only increases intention to quit but also reduce the contribution of the employee to the organization (Lok & Crawford, 2003).

During recent years, Tehran Cement's employees experienced many different top managers. The changing of top level manager caused changing lower level manager as well, which make employees uncomfortable with new situation as well as new leader characteristic and new organizational climate.

Moreover, during recent years so many unexpected events like reduction in the share price of Tehran Cement Company and also reduction in productivity happened. On the other hand, from my experience in Tehran Cement Company, employees' satisfaction decreased during this time. Whereas they stay in the organization but they do not contribute as much due to job dissatisfaction. Form lower level employees' point of view they blame new management and their new regulation which cause many trouble for them like decreasing their salaries and compensation and promotion opportunity. Therefore, given the scenario in Tehran Cement Company discussed above, this study

attempts to find out whether different manager characteristics and behaviors play a central role on employees satisfaction.

1.3 Research Objectives

The main purpose of this study is to ascertain whether leadership styles, emotional intelligence and perceived organizational support have an effect on job satisfaction of Tehran Cement Company employees as one small Iranian population.

The main consideration of this study is to support the last finding in this area in Iranian cultures and industries.

1.4 Research Questions

The research attempts to answer the question which style of leadership, level of emotional intelligence and quality of perceived organizational support able to influence the level of job satisfaction. In addition, which interaction of variables will give highest level of job satisfaction. Also this study attempt to find the affect of level of the employee as a moderator of relationship between independent variables and employees' job satisfaction.

This study attempts to answer these basic questions:

- a) Do different styles of leadership have different impact on job satisfaction?
- b) Does higher EI of supervisor make subordinates more satisfied?
- c) Is there any relationship between employee's perceived organizational support and job satisfaction?
- d) Does level of the employee moderate these mentioned relationships?

- e) Do the interactions of independent variables (perceived organizational support, emotional intelligence and leadership behavior) lead employees to high satisfaction?

1.5 Scope and Significance of the Study

As mentioned earlier, most of the studies in organizational behavior are conducted in the western countries. On the other hand, different cultural background resulted in the inapplicability of these studies in other countries like Middle Eastern countries and South East Asia. The result of this study will add to limited body of literatures in leadership behavior, emotional intelligence, perceived organizational support and job satisfaction in Middle Eastern setting, especially Iran.

There are 45 cement manufacturing in Iran which make it one of the important countries in the Middle East, contribute significantly to the economic growth of this zone.

1.6 Definition of Key Terms

In this section the definition of key terms were provided.

1.6.1 Job Satisfaction

For measuring employees' job satisfaction, Minnesota Satisfaction Questionnaire (MSQ) was used which developed by Weiss, Dawis, England, and Lofquist (1967), this instrument measure two dimensions: "intrinsic satisfaction" and "extrinsic satisfaction". Intrinsic factor which are directly related to the nature of the job itself consist achievement, recognition, responsibility, advancement, the work itself and the possibility

of growth. On the other hand extrinsic factors which refer to job context include salary, job security, working condition, company procedures, quality of supervision and quality of relations among the group. Consequently, overall job satisfaction can break into intrinsic and extrinsic job satisfaction.

In this study job satisfaction is defined as a series of attitude that people have about their jobs and the organizations where they work (Mosadeghrad & Yarmohammadian, 2006). Level of job satisfaction addressed feelings about a variety of both intrinsic and extrinsic job elements. It may contain different aspects of satisfaction (pay, benefits, promotion, work conditions, supervision, organizational practices and so on) in the work place (Misener, Haddock, Gleaton & Ajamieh, 1996).

1.6.2 Leadership Behavior

Two popular dimensions to categorize leadership behavior are consideration and initiating structure (Lawrence, 2007). On measuring leadership behavior as one major independent variable, Leadership Behavior Description Questionnaire (LBDQ) was used which developed by bureau of business research, college of commerce and administration of Ohio state university (Stogdill, 1963).

Initiating structure leadership behavior is “the extent to which a leader is likely to define and structure his or her role and those of subordinates in the search for goal attainment.”

Consideration leadership behavior is “the extent to which a leader is likely to have job relationships characterized by mutual trust, respect for subordinates’ ideas, and regard for their feelings.” (Robbins, 2003:136-137)

Leader who has consideration leadership behavior provide warm, friendly and supportive environment, whereas, leader with initiating structure leadership behavior assign tasks, specify procedures and is more action oriented (Lawrence, 2007).

1.6.3 Perceived Organizational Support

According to the organizational support theory the development of perceived organizational support is encouraged by employees' tendency to assign the organization humanlike characteristics (Eisenberger, Stinglhamber, Vandenberghe, Sucharski & Rhoades, 1986 as cited by Rhodes and Eisenberger, 2002). The instrument for measuring perceived organizational support is 8-item Survey of Perceived Organizational Support which provided by Eisenberger, Huntingdon, Hutchinson and Sowa (1986).

POS is defined as employees' global beliefs concerning the extent that organization values their contributions and be concerned about their well-being (Eisenberger et al., 1986).

1.6.4 Emotional Intelligence

Emotional intelligence defined as the "ability to monitor one's own and others' feelings and emotions, to discriminate among them and to use this information to guide one's thinking and actions" (Salovey & Mayer, 1990:189), the conceptual interpretation of emotional intelligence contain appraisal and expression of emotion, regulation of emotion and utilization of emotion; (Salovey & Mayer, 1990).

1.6.5 The Level of the Employee

The level of the employee or job level refers to employees' job status in the organization which indicates the level of the employee in occupational classification (Oshagbemi, 1997). Within the context of Tehran Cement Company, it indicates whether an employee is a senior manager, middle manager, first level manager, head of laborer (supervisor), office staff or a laborer. Employees evaluated by superior based on educational level, skills, organizational tenure and job tenure.

1.7 Organization of Chapters

The current study is organized as follows. The next section deals with literature review include discussion about job satisfaction, leadership behavior, perceived organizational support, emotional intelligence of leader, and the level of the employee. Moreover, the relationships between the variables are discussed in that order, then theoretical framework is developed which includes six main hypotheses. The methodology of research is discussed in third section. Fourth section contains the examination of study hypotheses. The last section contains the discussion and conclusion followed by a suggestion of how to choose strategies to manage the employees' satisfaction.

CHAPTER 2

Literature Review

2.1 Introduction

Organizational performance and effectiveness strongly depend on the level of the employee satisfaction (Lok & Crawford, 2003); due to this importance of job satisfaction in work place so many studies focus on this area and important factor which can influence work outcomes and specially job satisfaction. This chapter is prepared from surveying the relevant literature on job satisfaction, leadership behavior, perceived organizational support, emotional intelligence, relationship between leadership behavior, emotional intelligence and job satisfaction, relationship between leadership behavior, perceived organizational support and job satisfaction, also the level of the employee in the organization as an important factor that can influence and moderate these relations.

Job satisfaction is defined as a series of attitude that people have about their jobs and the organizations where they work (Mosadeghrad & Yarmohammadian, 2006), From surveying in literatures there are two distinct factors in job satisfaction studies: Intrinsic factor which are directly related to the nature of the job itself consist achievement, recognition, responsibility, advancement, the work itself and the possibility of growth. On the other hand extrinsic factors which refer to job context include salary, job security, working condition, company procedures, quality of supervision and quality of relations among the group (Robbins, Water-Marsh, Cacioppe & Millett, 1994; Schermerhorn, Hunt, & Osborn, 1994). Additionally, leadership behavior has direct and matchless

impact on the work environment, work outcomes and the success of organization (Kritsonis, 2004). Among determinants of job satisfaction, leadership is viewed as an important predictor and plays a central role. Leadership is a management function, which is mostly directed towards people and social interaction, as well as the process of influencing people so that they will achieve the goals of the organization (Skansi, 2000).

According to Eisenberger et al. (1986: 501), individuals, tend to “form global beliefs concerning the extent to which the organization values their contributions and cares about their well-being.” These beliefs that are exchanges between an employee and employing organization are called Perceived Organizational Support. Employees who feel supported by the organization are more likely to engage in a desirable workplace behavior and desire work outcomes (Silbert, 2005).

As mentioned earlier, Emotional intelligence defined as the “ability to monitor one’s own and others’ feelings and emotions, to discriminate among them and to use this information to guide one’s thinking and actions” (Salovey & Mayer, 1990: 189). The relationship between manager characteristic and their follower satisfaction is really complex. Moreover, feeling of satisfaction is based on the relationship of employee with their leaders, employees who rate their leader as more emotionally intelligence are more satisfied with work (Nowack, 2006).

Summary of all related literatures are provided in Appendix B.

2.2 Job Satisfaction

Organizational performance and effectiveness strongly depend on the level of the employee satisfaction (Lok & Crawford, 2003). Due to the importance of job satisfaction in work place so many studies focus on this area.

Job satisfaction is defined as a series of attitude that people have about their jobs and the organizations where they work (Mosadeghrad & Yarmohammadian, 2006). Level of Job satisfaction addressed feelings about a variety of both intrinsic and extrinsic job elements. It may contain different aspects of satisfaction (pay, benefits, promotion, work conditions, supervision, organizational practices and so on) in the work place (Misener, Haddock, Gleaton & Ajamieh, 1996).

Based on the significance of job satisfaction, many previous studies focus on the important factor which can influence job satisfaction, positive-impact factors such as salaries, benefits, achievement, autonomy, recognition, communication, working conditions, co workers, , organizational climate, supervisory support and some negative-impact are working with unskilled or inappropriately trained staff, role ambiguity, role conflict, the increasing need to be available for overtime and so on (Mosadeghrad & Yarmohammadian, 2006).

According to Herzberg's Two-Factor theory, there are two different kind of condition; intrinsic and extrinsic. When these conditions not present will result dissatisfaction among employees. Intrinsic factor which are directly related to the nature of the job itself consist achievement, recognition, responsibility, advancement, the work itself and the possibility of growth. On the other hand extrinsic factors which refer to job

context include salary, job security, working condition, company procedures, quality of supervision and quality of relations among the group. Consequently, overall job satisfaction can break into intrinsic and extrinsic job satisfaction. Based on the proposition suggested by Herzberg's theory of motivation and Maslow's hierarchy of needs, the intrinsic factors or higher order needs are more important to job satisfaction rather than extrinsic factors or lower order needs (Robbins et al., 1994; Schermerhorn et al., 1994).

2.3 Leadership Behavior and Job Satisfaction

Leadership behavior has direct and matchless impact on the work environment, work outcomes and the success of organization (Kritsonis, 2004). According to Graziadio (2005), during previous century large amount of studies has gathered so many types of leadership in term of focus on group processes, personality and its effects, the art of inducing compliance, the exercise of influence, an act or behavior, a form of persuasion, a power relation, an instrument of goal achievement, an emerging effect of interaction, a differentiated role, the initiation of structure and a combination of various elements (Bass, 1990). But the usage of appropriate theory extremely depends on the purpose of study (Bass, 1990; Yukl, 1998). There are two popular dimensions to categorize leadership behavior; consideration and initiating structure. Leader who has consideration leadership behavior provide warm, friendly and supportive environment, whereas, leader with initiating structure leadership behavior assign tasks, specify procedures and is more action oriented (Lawrence, 2007).

House (1971, 1996) tested path-goal contingency theory of leadership based on the prior research and cited to Evans, 1970; Georgopoulos, Mahoney & Jones, 1957, he maintained the effective leader motivates employee to achieve the goal through reward and making clear employee's path to the organization's objectives which increase both employee satisfaction and organization's productivity, according to the study there are four kinds of leadership behaviors; supportive leadership, directive leadership, participative leadership and achievement-oriented leadership, in addition supportive and directive are similar to consideration and initiating structure behavior (Graziadio, 2005).

Among determinants of job satisfaction, leadership is viewed as an important predictor and plays a central role. Leadership is a management function, which is mostly directed towards people and social interaction, as well as the process of influencing people so that they will achieve the goals of the organization (Skansi, 2000). Darwish (2000) indicates that, there are many number of studies which exposure there is positive relationship between job satisfaction and leadership behavior (Cheng & Yang, 1977; Euske & Jackson, 1980; Euske et al., 1982; Fleishman & Harris, 1962; Graen et al., 1972; House et al., 1971; Hunt & Liesbacher, 1973; Osborn & Hunt, 1975; Petty & Bruning, 1980; Savery, 1994; Sheridon et al., 1975; Skinner, 1969; Stogdill, 1963; Szilagi & Keller, 1976; Valenzi & dessler, 1976; Yunker & Hunt, 1976 as cited by Darwish, 2000) and he found the employee will more satisfied when they perceive their superior as adopting consultative or participative leadership behavior.

Human resources are the main resource in the organization. Actually the effectiveness and efficiency are two important work outcomes that humans can make them, but their success strongly depends on their leadership styles. Absolutely they can

not achieve their goals without effectiveness and efficiency as desired work outcomes. The styles of leadership can affect work outcomes. Leadership style can be defined as a series of managerial attitudes, behaviors, characteristics and skills based on individual and organizational values, leadership interests and reliability of employees in different situations (Mosadeghrad, 2003). There are several studies to determine how leadership behaviors can be used to influence employees for improved organizational outcomes (Kreitner, 1995). The relationship between leadership style and job satisfaction is extremely used in both manufacturing and service industries. According to the study by Chen and Silverthorne (2005), they referred to previous studies result which indicates different leadership styles relate to different levels of job satisfaction and when leaders present high levels of consideration and supportive behavior, their followers tend to have higher level of job satisfaction (Packard & Kauppi, 1999).

Most of previous studies shows, consideration leadership behavior is positively related to employee job satisfaction while negative relationship report for initiating structure leadership behavior (Greene & Schriesheim, 1977; Holdnak et al., 1993; House & Filley, 1971; Nealy & Blood, 1968; Pool, 1997), versa, there are few numbers of study which conclude differently and found negative relationship between consideration leadership behavior and job satisfaction (Halpin, 1954; Hodge, 1976; Patchen, 1962). Interestingly some studies indicate both consideration and initiating structure leadership behavior are positively related to job satisfaction (Bartolo & Furlonger, 2000; Katerberg & Horne, 1981).

In the study by Lok and Crawford (1999) in samples of Hong Kong and Australian managers it was noted that consideration leadership behavior has positive

impact on job satisfaction and the effect of consideration leadership style on job satisfaction is stronger in the Australian sample. Whereas the result shows initiating structure leadership style has a negative impact on job satisfaction in both countries and has significant negative effect on job satisfaction. Referred to their previous study, leadership style is important indicator of job satisfaction, usually leadership were shown to have significant impact on job satisfaction as well as other work outcomes (Lok & Crawford, 1999, 2003).

The results of previous studies from different countries show that different styles of leadership do not have the same impact on job satisfaction (Stogdill, 1970; Walder, 1995). Based on the Stogdill (1970) initiating structure leadership style is more likely to provide greater commitment and job satisfaction in Asian firms, whereas in western context consideration leadership style would provide greater job satisfaction.

According to the study of relationship between managers' leadership style and employees' job satisfaction in Iran, leadership style is an important factor that can influence work outcomes (Mosadeghrad & Yarmohammadian, 2006). Their sample collected from 12 university hospitals located in Isfahan through a stratified random sampling. Their finding indicates that employees were more satisfied with factors such nature of the job supervision. In addition employee's satisfaction depends on the leadership style of managers but participative management is not always a good management style. Choosing leadership's efficient style can affect by organizational culture. As a result they found that the nature of the job is not an important motivator for employees and managers. And also the lack of recognition from management cause employee's job dissatisfaction, it means that except participative management other

styles of leadership are positively correlated with employee job satisfaction. On the hand study shows in Iranian context a supportive management style could greatly improve the satisfaction of employees on the job.

Previous studies show demographic variables such as year in the organization, level of the employee, age and gender have significant impact on work outcomes (Chen and Francesco, 2000; Mathieu and Zajac, 1990; Salancik, 1977). Moreover, the level of education of employee has a negligible negative influence on job satisfaction which indicates more educated respondents have lower level of job satisfaction (Lok & Crawford, 2003), this result supported by so many previous studies (Clark, Oswald & Warr, 1996; Clark 1997; Ganzach, 2003; Sloane & Williams, 1996), which indicates higher educated employees are less satisfied with their job than lower educated employee.

2.4 Perceived Organizational Support and Job Satisfaction

According to Eisenberger et al. (1986:501), individuals, tend to “form global beliefs concerning the extent to which the organization values their contributions and cares about their well-being.” These beliefs that are exchanges between an employee and employing organization are called perceived organizational support. High levels of perceived organizational support creates feelings of obligation, to the employers as well as makes them feel they have to return the employers’ commitment by engaging in behaviors that support organizational goals. From the social exchange perspective, research has revealed that perceived organizational support is positively related to job attendance and measures of job performance (Eisenberger et al., 1986), the inclination to give constructive

recommendations for organizational improvement tendency to help co workers (Shore & Wayne 1993).

Employees seek to balance in their exchange relationships with organization by having attitudes and behaviors matching with degree of employer's commitment to them as individuals. Perceived organizational support is positively related to conscientiousness in performing job responsibilities and to commitment and innovation (Eisenberger, Fasolo & Davis-LaMastro, 1990).

Employees who have positive receive of desire reward and recall it frequently; their levels of perceived organizational support will increase in the organizations which provide employees with rewards, in this situation employee will feel more supported by the organization. Employees who feel supported by the organization are more likely to engage in desirable workplace behaviors and desire work outcomes (Silbert, 2005).

From a social exchange perspective, it can be argued that employees who perceive a high level of support from the organization are more likely to feel an obligation to repay the organization in terms of affective commitment (Eisenberger et al. 1986; Shore & Wayne, 1993). According to Eisenberger et al., (1990) employees working for a company develop a more personal relationship with their company and uniquely contribute to the survival and growth of the organization. They are more willing to ensure that tasks are completed and help even when it is not part of their job to improve efficiency in the company. Employees who feel supported by their organization and because they care about the organization they engage in activities that help to further the organization's goals.

Based on the extant literature, perceived organizational support is likely to lead to reciprocation in the form of organizational commitment by the employees whom will develop as the result of experiences that satisfy employees and lead to a perception of support from the organization. There is positive relationship between perceived organizational support and work-related outcomes and trust in organization. Employees who perceive the organization as demonstrating care and consideration for their well-being reciprocate this sentiment in the form of positive work outcomes that benefit the organization (Chen, Aryee & Lee, 2005).

Meanwhile, Graafland and Rutten (2004) in their empirical findings have a number of important implications for organizations. First, organizations that support their employees by providing favorable job conditions will be able to increase their performance through positive employee behavior on the job and higher job satisfaction. This positive behavior is likely to take the form of discretionary behaviors which has been termed organizational citizenship behavior. It is therefore important for companies to realize that employees will likely form a perception about the organization on the basis of these actions (Graafland & Rutten, 2004).

One of important step in illustrating the value of perceived organizational support is deferent its concept with job satisfaction (Zagenczyk, 2001). Previous study related to this area dispute that perceived organizational support and job satisfaction conception are distinct but related (Shore & Tetrick, 1991), perceived organizational support is a measure of employer commitment and set of beliefs about how much organization cares for staff well-being, while job satisfaction focused on different sides or viewpoints of work and affective response to these different aspect of work situation. Perceived

organizational support strongly affected by discretionary treatment provided by the organization (Zagenczyk, 2001).

The relationship between perceived organizational support and job satisfaction is two way relationships (Burke, 2003). In the study among hospital-based nursing staff who was involved in organizational restructuring and downsizing, the results supported relationship between perceived organizational support and job satisfaction in two directions. Moreover, In addition, perceived organizational support mediated the relationship of restructuring and downsizing process and job satisfaction.

Based on the perceived organizational support theory, the relationship between perceived organizational support and work outcomes depends on processes such the feelings of obligation to help the organization to achieve the goal (Rhoades, Eisenberger & Armeli, 2001). High level of perceived organizational support creates feeling of obligation which can support organizational goals. Moreover, it can lead employee to become more satisfied.

Previous studies have shown that perceived organizational support was positively associated with levels of job satisfaction, high level of perceived organizational support resulted higher level of job satisfaction (Burke & Greenglass, 2001; Burke, 2003; Stamper & Johlke, 2003; Armstrong-Stassen, Cameron & Horsburgh, 1996).

In the study by Stamper and Johlke (2003) they examined the impact of perceived organizational support on different aspect of work attitudes and behaviors. As a result perceived organizational support has strong impact on work outcomes, especially job satisfaction (Stamper and Johlke, 2003).

2.5 Emotional Intelligence of Leader and Job Satisfaction

Emotional intelligence is one of important concepts in understanding leadership and how leaders can help followers to obtain desired work outcomes. Based on the Salovey and Mayer (1989-1990) emotional intelligence defined as "the subset of social intelligence that involves the ability to monitor one's own and others' feelings and emotions, to discriminate among them and to use this information to guide one's thinking and actions" (Carmeli, 2003).

Based on the Goleman's (1995) theory, highly emotionally intelligent leaders perceived by others around them as more effective than leaders with relatively lower emotional intelligence.

The concept of emotional intelligence emerged three decades ago, this trend began in 1970, since 1980 many psychologists (Bower, 1981; Isen, Shalke, Clark and Karp, 1978; Zajonc, 1980 as cited by Graziadio, 2005) start to examine and investigate the interaction between ideas and emotions. As well as these studies during that time other researcher (Gardner, 1983; Sternberg & Detterman, 1986; Sternberg, 1997 as cited by Graziadio, 2005) tried to provide gradual broadening in term of intelligence's concept. Emotional intelligence model which developed by Mayer and Salovey cover in depth and a brief overview of the intelligence construct (Graziadio, 2005).

Many studies related to emotional intelligence show, the critical point in developing the skills of emotional intelligence is understanding own emotion, on the other hand understand others emotions is important factor for achieving desire work outcomes especially job satisfaction and building profit performance (Brown, Bryant & Reilly, 2006; Langhorn, 2004; Petrides & Furnham, 2006; Smith, 2005). Therefore

consideration to importance of emotional intelligence for achieving desired outcome through successful leadership is vital.

Brown, Bryant and Reilly examined the relationships between emotional intelligence, leadership and desirable work outcomes. They mentioned many previous studies paid attention to emotional intelligence concept and its impact on work outcomes (Cherniss, 2000; Cooper and Sawaf, 1997; Goleman, 1995, 1998; Mayer and Salovey, 1997; Mayer et al., 2000; Ryback, 1997; Weisinger, 1998 as cited by Brown, Bryant & Reilly, 2006).

Emotional intelligence refer to the ability of person to assess feeling, intuition, relationship skills, motivation which they need to successfully manage themselves and their relationship with others (Goleman, 2000, 2004 as cited by Brown, Bryant & Reilly, 2006). Previous effort related to emotional intelligence resulted in various instruments for measuring this variable (EQi of Bar-On, 1996; Executive EQ of Cooper and Sawaf, 1997; EIQ Dulewicz and Higgs, 1999; MSCEIT of Mayer *et al.*, 2000; ECI of Boyatzis and Goleman, 1998 as cited by Brown, Bryant & Reilly, 2006). Two different but related models of emotional intelligence is available; ability model and mixed model. The ability model provided by Salovey and Mayer (1990) which defined emotional intelligence as the ability of person to deal with own emotions and others emotions and how they manage these emotions (Brown, Bryant & Reilly, 2006).

The relationship between manager characteristic and their follower satisfaction is really complex. On the other hand, a person who has high emotional intelligence is more likely to have positive attitude and values. As a result of good leadership and great teamwork relationship the level of motivation and job satisfaction of employee will

increase. Langhorn (2004) study illustrates that, managerial emotional intelligence which refer to their ability to be aware of and understand their own emotions, is positively related to employee satisfaction with a reasonable degree of accuracy. Moreover, the high level of emotional intelligence has positive influence on the relationship between employees among the work group and organization, managers with high level of emotional intelligence will be able to influence their relationship with their followers positively to make them more satisfied due to feel more recognition by their leader (Smith, 2005).

Emotional intelligence of employees especially leaders plays an important role in job performance and success in the workplace. In recent study by Nowack (2006) in a large food service company over a two year period shows most important contributor to the feeling of satisfaction is based on the relationship of employee with their leaders. He examined the relationship between leader's emotional intelligence and several organizational outcomes including job satisfaction, as a result employees who rated their leader as more emotionally intelligence were more satisfied with work (Nowack, 2006).

As Carmeli (2003) noted, emotional intelligence plays a significant role in the success of managers in the workplace to produce effective outcomes in organizations. Also he referred to Goleman (1995, 1998 as cited by Carmeli, 2003) which indicates managers with high emotional intelligence are more likely to provide a unique attitude, behavior and work outcomes in the organization (Carmeli, 2003).

Most of previous studies show that job satisfaction is positively associated with the emotional intelligence and employees who rated their leader as more emotionally intelligence were more satisfied with work (Langhorn, 2004; Nowack, 2006; Sjöberg,

2001; Smith, Kendall & Hulin, 1969). But few numbers of studies claims this finding, Petrides and Furnham (2006) investigated the relationships between emotional intelligence and perceived job control, job stress, job satisfaction, and organizational commitment. They stated higher emotional intelligence of leader leads to high employee satisfaction but not critically important as previous studies noted (Petrides & Furnham, 2006). Moreover, Brown, Bryant and Reilly (2006) study with the sample of 2411 manufacturing workers, engineers, and professional staff who work in the organization, found there is no relationship between emotional intelligence and desired work outcomes especially job satisfaction.

2.6 Leadership Behavior, Emotional Intelligence and Work Outcomes

Leadership and emotions are fundamentally linked (Graziadio, 2005). Managers increase their emotional intelligence as a mean to show greater individualized consideration as well as idealized influence and inspirational motivation (Barling, Slater & Kelloway, 2000).

In the study of 176 female managers from several industries across Australia shows there is association between leadership behavior and emotional intelligence. Manager who has transformational leadership behaviors were more likely to present higher levels of emotional intelligence due to the strong emotional relationship between the leader and the follower. (Downey, Papageorgiou and Stough, 2006). In addition, Graziadio (2005) found there is correlation between leadership and emotional intelligence which is in line with Goleman's claim that Emotional intelligence is most vital essence of leadership and it is most important factor for leader's achievement.